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CableVision

INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT SEPTEMBER 2, 1991

THE ARTS OF WIRING SCHOOLS

BIG BUSINESS IN CLASSIFIEDS

SPECIALIZING FOR COMEDY CHANNELS

REPLICATING CABLE CUES ARE USED

CABLE'S LEGAL LANDSCAPE: THE '90S LOOK UNCERTAIN

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INFORMATION AND ANALYSIS FOR CABLE TELEVISION MANAGEMENT — SEPTEMBER 25, 1989

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Photo by Arnie Adler

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ABP BPA

The CABLE POLL

TMMidwest CATV & CableVision Magazine

Syndex to cause massive signal drops

One in four of all cable systems surveyed—and 41 percent of systems with more than 50,000 subscribers—already have decided to drop or anticipate dropping at least one distant signal vulnerable to blackouts under the impending syndicated exclusivity rules, according to information supplied by operators for the Cable Poll™.

And given that the poll was conducted after cable superstations had announced plans to be "syndex-proof," it's likely that the drops will be regional independents or duplicating network affiliates, industry experts said in commenting on the data.

But the industry's approach to syndex—beyond the initial decision to drop what can be extrapolated as more than 1,500 signals—remains very much up in the air, the survey reveals, even with the effective date of the rules barely three months away. Asked what alternate programming they would air during blackouts, 90 percent of operators surveyed said they didn't know for sure, although a few mentioned using LO fare, switching to shows running on cable networks or running acquired programming.

The syndex survey presents a picture of extremes. While 30 percent of systems said they do not carry any signals subject to blackouts, 28 percent carry three, four, five or more. And the number of programs that operators are being asked to black out also tend to be either high or low; 39 percent of Cable Poll™ respondents said they have received notices covering five or fewer shows, while 24 percent said they have been asked to black out more than 20 shows.

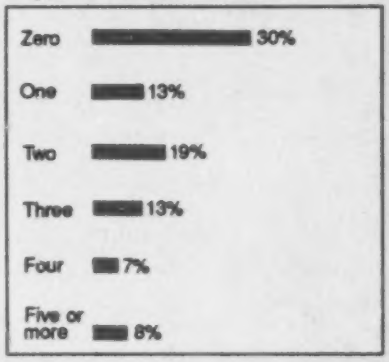
Number 1 in a series of ten

"It tells me exactly what we have been warning everyone for some time," said CATA President Steve Effros. "Operators know that it will be one hell of a mess for subscribers, so they're limiting their exposure to the rules by dropping regional independents."

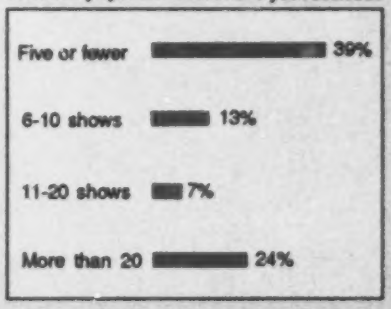
INTV President Preston Padden, reacting to the data, said "25 percent of the distant signals being dropped is not surprising to me. Our members see it as a good trade-off losing a little coverage outside their markets to gain the integrity of their programming inside their home markets."

The Cable Poll™ is conducted for Midwest CATV and *CableVision* magazine by Ryan/Samples Research. Telephone interviews for this edition of the poll were conducted Aug. 14-19 with a random sample of 387 system management personnel obtained from CableFile Research. Cable Poll™ researchers are 95 percent confident that the results are an accurate reflection of the total industry within plus or minus 5 percentage points. ■

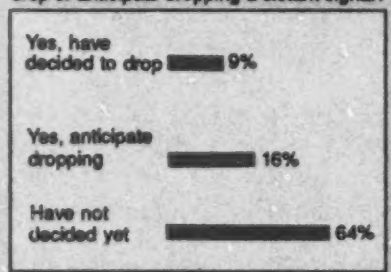
How many signals do you carry that are subject to blackouts?



How many syndex notices have you received?



Because of syndex, have you decided to drop or anticipate dropping a distant signal?



Financial/Stocks

• **KBLCOM** reported a $28.5 million net loss for the three-month period ending June 30. The **Houston Industries** division, formed for the acquisition of Rogers Communications' U.S. systems last March, also tallied a $36.1 million net loss for the first half of 1989. Costs pertaining to the Rogers sale were responsible for the outcome. Net loss results will continue in the near term, officials said.

• **Bank Of New York** and **Citibank** will act as co-agents in the syndication of a $1.4 billion senior unsecured credit facility for **Viacom International**. Viacom will use the 10-year facility to refinance outstanding senior secured bank debt and provide for increased credit availability for general corporate purposes.

• **Whittle Communications** will spend $150 million on hardware equipment for its various educational ventures. **Philips Consumer Electronics** will design and build the equipment infrastructure for Whittle's *Channel One* and other classroom TV services, and supply Whittle with about 300,000 TV sets, 15,000 VCRs and 8,000 satellite dishes to be distributed nationwide. This is the largest satellite system order in Philips' history. Whittle will launch *Channel One* next March, followed by two channels of educational programs.

• **Century Communications** announced a three-for-two stock split which applies to A, B and treasury stock classes. Outstanding shares were increased from 43.4 million to 65.2 million through the split, with treasury stock shares going from 5.6 million to 8.4 million. In other company developments, Andrew Tow was promoted to a vice president.

QUARTERLY EARNINGS CHART

Dollar amount in thousands

Company (Quarter/Fiscal Year)	Revenues	%Change	Operating Profit	%Change	Net Income	%Change
C-Cor Electronics (4th/89)	$ 53,755	32.1	$ 5,195	47.2	$ 5,195	70.5
Centel Cable (2nd/89)	43,705	13.5	6,107	16.2	2,513	16.2
Century Communications (4th/89)	50,789	14.8	28,073	14.3	-17,289	-1763
Comcast (2nd/89)	113,200	-16.2	N.A.	N.A.	-7,800	74.5
Houston Industries (2nd/89)	950,425	11.9	N.A.	N.A.	56,684	-35.7
Jones Intercable Investors (2nd/89)	7,894	15.9	2,774	12.3	3,379	-21
QVC Network (2nd/89)	54,919	32.3	1,077	33.1	812	11.3
Scientific-Atlanta (4th/89)	158,373	19.3	16,732	28	10,708	32
Tele-Communications Inc. (2nd/89)	551,000	-24.1	N.A.	N.A.	-21,900	65.6
UA Entertainment (2nd/89)	273,700	N.A.	64,900	N.A.	-45,100	N.A.
Video Jukebox Network (2nd/89)	506	34.7	N.A.	N.A.	-761	-97
WestMarc Communications (2nd/89)	52,185	44.9	11,866	87.5	-5,625	-1.7

Acquisitions

• **Warner Cable** has concluded its separate buyouts of **Centel** and **Tele-Media Corp.**'s Ohio systems. Thirty-one systems are included in the agreements, reaching more than 106,900 households. The Centel group involves franchises in Germantown, Lewisburg, Marysville and surrounding cities; Tele-Media areas include a section of Columbus, Owensville and Peebles. Earlier, **American TV & Communications** finalized the terms of its Centel system purchase, paying $251 million for 14 systems in central Florida. ATC will manage the franchises within its Orlando operations, with about 100,000 subscribers in Winter Haven and vicinity affected. That buyout will be financed from existing ATC credit facilities and has met regulatory and franchise authority conditions.

• **Cablevision Systems Corp.** will engage in a system swap with **Times Mirror**. The deal's key is Cablevision's purchase of Arizona outlets formerly owned by **Republic Cable Partners**. Under the arrangement, Cablevision will turn over the Republic holdings to Times Mirror in exchange for TM's Long Island, N.Y., and Haverhill, Mass., franchises. All of the Republic systems are west of Phoenix, a TM base, with 45,000 homes in the area. **Communications Equity Associates** worked on the trade, which is expected to be concluded by late October.

• **UA Entertainment** has received limited partnership interests covering the Scottsdale, Ariz., cable

Subscriber Count

Satellite national services

Basic services	Affiliates	Subscribers
ACTS Satellite Network	387	9,000,000
Alternate View Network	300	4,500,000
Arts & Entertainment Network (A&E)	3,700	39,673,000
Black Entertainment Television	1,800	24,218,000
CNBC	700	13,000,000
Cable News Network	11,860	51,527,000
Cable Value Network	1,800	23,300,000
C-SPAN	3,341	46,600,000
C-SPAN II	649	18,106,660
Country Music Television	1,092	9,124,974
The Discovery Channel	5,324	44,090,000
Eco/Galavision	300	1,000,000
ESPN	20,500*	53,400,000
Eternal Word Television Network	490	10,800,000
The Family Channel	8,424	45,734,000
Family Guide Network	60	4,500,000
FamilyNet	388	3,500,000
The Fashion Channel	650	10,100,000
Financial News Network	3,500	31,219,000
FNN/Score	1,600	20,000,000
Headline News	3,410	37,727,000
Home Shopping Network	1,488	16,928,895
Home Shopping Network II	384	6,796,525
The Inspirational Network	920	9,500,000
International Television Network	25	7,868,900
J.C. Penney TV Shopping Channel	119	5,100,000
KTVT	417	3,600,000
The Learning Channel	1,142	17,500,000
Lifetime	3,800	44,177,000
Mind Extension University	156	4,900,000
MTV	5,405	47,137,000
Movietime	447	13,000,000
The Nashville Network	8,318	45,923,000
National College Television	147	5,800,000
Nick At Nite	3,440	39,600,000
Nickelodeon	6,600	47,183,000
The Nostalgia Channel	389	5,800,000
Prevue Guide	400	12,000,000
QVC Network	1,000	14,100,000
RFD TV	30	2,182,190
Silent Network	189	13,680,000
SportsChannel America**	N.A.	1,500,000
TBS Superstation	9,426	49,725,000
Telemundo***	5	100,000
TNT	2,745	30,499,000
The Travel Channel	659	11,000,000
Trinity Broadcasting Network	725	9,100,000
Univision***	500	509,500
USA Network	10,100	48,427,000
VH-1	2,530	32,390,000
Vision Interfaith Satellite Network	315	6,200,000
The Weather Channel	3,650	39,051,000
WGN-TV	11,415	24,900,000
WWOR-TV	2,600	12,500,000
WPIX-TV	858	9,678,474
WSBK-TV (new)	57	350,808
Bonus/basic services		
American Movie Classics	1,700	20,000,000
Bravo	375	2,500,000
Pay services		
American Exxxtasy	35	27,000
Cinemax	3,650	6,600,000
The Disney Channel	5,700	4,337,300
Home Box Office	7,400	17,000,000
The Movie Channel	3,250	2,700,000
The Playboy Channel	526	470,000
Showtime	6,000	6,600,000
Audio services		
AEI Lifestyle	142	2,578,838
AEI Star/Tracks Vocal Hits	26	854,390
Cable Radio Network	59	2,500,000
Galatic Radio	102	3,000,000
KKGO Super Jazz	18	133,639
Moody Bible Institute	63	1,058,368
Satellite Radio Network	237	483,000
Tempo Sound	125	1,250,000
WFMT Chicago	170	1,259,804
Text services		
AP News Cable	185	2,500,000
AP Business Plus	54	1,400,000
AP News Plus	75	2,100,000
Cable SportsTracker	41	875,000
EPG	280	6,800,000
EPG Jr.	330	300,000
Genesis Storytime	39	1,550,000
Reuters NewsView	127	2,437,000
Computer services		
DBC/MarketWatch	462	9,200,000
X*Press Executive	487	14,000
X*Press X*Change	487	14,000

Non satellite-fed national services

Basic services	Affiliates	Subscribers
Cable Video Entertainment	190	18,000,000
Consumer Classified Ad Network	3	195,000
Fuji Network	3	12,000
Vector Consumer News	5	200,000
Vector Consumer Shopping Guide	9	325,000
Pay services		
Nippon Golden Network	5	13,600

Interactive services

Basic services	Affiliates	Subscribers
Video Jukebox Network	22	1,950,000

Regional services

Basic services	Affiliates	Subscribers
Arizona Sports Programming Network	N.A.	210,000
Atlanta Interfaith	7	180,000
Bay Area Religious Channel	6	113,000
Cable TV Network of New Jersey	34	1,396,451
The Ecumenical Channel	9	170,000
KBL Entertainment Network	67	1,200,000
Life Newsvision	35	50,000
Madison Square Garden Network	112	2,400,000
Meadows Racing Network	14	600,000
News 12 Long Island	4	594,000
Midwest Sports Channel (new)	90	275,000
Niagara Frontier Sports Network	13	800,000
Northwest Cable Sports Network	3	700,000
Pennarama	28	750,000
Prime Cable	9	381,938
Prime Sports Network	11	300,000
Prime Ticket	115	3,500,000
SportsChannel (Chicago)	50	1,567,270
SportsChannel (Ohio)	2	280,000
Sunshine Network	200	2,310,000
Pay services		
Home Sports Entertainment	250	1,000,000
Home Team Sports	125	1,200,000
New England Sports Network	171	317,201
Prism	87	427,000
Pro-Am Sports	173	523,000
SportsChannel (Florida)	22	650,000
SportsChannel (Los Angeles)	76	125,000
SportsChannel (New England)	154	1,028,431
SportsChannel (New York)	100	1,300,000

Note: Figures for affiliate/subscriber counts will be updated quarterly unless information is provided by the service. Send information to: CableVision, Cable Stats, 345 Park Avenue South, 9th Floor, New York, NY 10010.
N/A denotes information not available.
***Includes MMDS and SMATV systems**
****Count represents standalone affiliates/subscribers; portions of SC America are carried on Home Team Sports and the SportsChannel family of regional services.**
*****Spanish-speaking households.**

Announced services

Satellite-fed services	Expected launch
Americas Warner Network	1st Quarter 1990
The Asia Network	4th Quarter 1989
Career Channel Network	1989
CD16: The Digital Music Network	4th Quarter 1989
The Computer Channel	4th Quarter 1989
Cowboy TV Network	1990
Digital Cable Radio	1989
Digital Radio Channel	4th Quarter 1989
The Gaming Network	4th Quarter 1989
The Global Channel	1st Quarter 1990
Global Village Network	2nd Quarter 1990
HA TV Comedy Network (MTV)	1990
HBO Comedy Channel	1989
The How-To Channel	2nd Quarter 1990
Interactive Game Network	4th Quarter 1989
Kids Information Network	4th Quarter 1989
Maximum Entertainment Network	4th Quarter 1989
Middle Sports News Network	1989
Music Image Channel	1989
Prime Network	4th Quarter 1989
QVC/CVN Network II	1990
The Sci-Fi Channel	4th Quarter 1990
Spanish TV News Network	4th Quarter 1989
Talk Television	4th Quarter 1989

Non satellite-fed services	Expected launch
ACTV	4th Quarter 1989
Multi Sports	4th Quarter 1989
On Demand/TV TV Network	4th Quarter 1989